#### School Improvement

The No Child Left Behind Act of 2001 significantly strengthens the school improvement provisions under section 1116 of Title I. The new law puts students first by requiring LEAs to offer choice and supplemental educational services to students attending schools identified for improvement, dedicates substantial new dollars to State and local improvement efforts, and requires progressively tougher improvement measures over time for schools that fail to improve, including potential reconstitution under a restructuring plan.

## Funding

Requires States to reserve 2 percent of Part A allocations for school improvement purposes in fiscal years 2002 and 2003, rising to 4 percent in 2004 and thereafter. (The 1994 law permitted, but did not require, the reservation of .5 percent of allocations for this purpose.) States must distribute 95 percent of these funds to LEAs for schools identified for improvement, corrective action, or restructuring.

Establishes a separate \$500 million authorization for a new Assistance for Local School Improvement grant program under which States would make subgrants ranging from \$50,000 to \$500,000 to help LEAs comply with the improvement provisions of Sec. 1116.

School Improvement (failing to make AYP for 2 consecutive years)

Requires schools identified for improvement to develop two-year improvement plans incorporating strategies from scientifically based research on how to strengthen the core academic subjects and address the specific issues that caused the school to be identified for improvement.

Requires schools identified for improvement to reserve annually at least 10 percent of their Part A funds for professional development that directly addresses the problems that led to identification for improvement.

Requires LEAs to immediately provide students attending schools identified for improvement the option of attending another public school, which may include a public charter school, that is not identified for improvement. LEAs must provide or pay for transportation to the new school, with a limit on the portion of Part A funds that may be used for this purpose (see 20 percent cap below).

Permits students attending schools in the second year of school improvement (failure to make AYP for 3 consecutive years) to use Title I funds to obtain supplemental educational services from the public- or private-sector provider of their choice. Caps the

per-child cost of such services at the lesser of the LEA per-child Part A allocation or the cost of services.

Requires LEAs to "promptly" notify parents of eligible students attending schools identified for improvement, corrective action, or restructuring of their option to transfer their child to a better public school or to obtain supplemental services.

Requires LEAs to give priority to low-achieving students from low-income families in making available choice and supplemental educational services. Only low-income children are eligible for supplemental services.

Requires LEAs to use an amount equal to 20 percent of their Part A allocations to pay for transportation of students exercising a choice option or obtaining supplemental educational services for eligible students. In reserving such funds, LEAs may not reduce allocations to schools identified for corrective action or restructuring by more than 15 percent.

Permits a student who transferred to another school under these provisions to remain in that school through its highest grade, but the LEA is required to provide transportation to the new school only as long as the student's original school is subject to school improvement, corrective action, or restructuring.

#### Corrective Action

Strengthens corrective action (required after 2 years in school improvement) to include actions more likely to bring about meaningful change at the school, such as replacing school staff responsible for the continued failure to make AYP, comprehensive implementation of a new curriculum (including professional development), and reorganizing the school internally. Corrective action schools also must continue to provide choice and supplemental services options to their students.

#### Restructuring

Adds a new restructuring requirement for schools that fail to respond to corrective actions. If a school fails to make AYP after one year of corrective action, it must begin planning for restructuring, which involves fundamental change such as reopening the school as a public charter school, replacing all or most of the school's staff, or turning operation of the school over to a private management company with a demonstrated record of effectiveness, and implement its restructuring plan the following year. Schools identified for restructuring also must continue to provide choice and supplemental services options to their students.

### **Duration of Improvement Status**

Permits LEAs to end school improvement, corrective action, or restructuring if the school involved makes AYP for 2 consecutive years. An LEA may delay implementation of supplemental services requirements, corrective action, or restructuring if a school identified for such measures makes AYP for 1 year.

### Rewards

Authorizes State Academic Achievement Awards to schools that close achievement gaps or exceed AYP requirements, the designation of schools that make the greatest gains as Distinguished Schools, and financial awards to teachers in schools that receive Academic Achievement Awards. States may reserve up to 5 percent of annual Part A increases for Academic Achievement Awards, and 75 percent of these funds must be awarded to high-poverty schools.

# LEA Improvement

Requires LEAs identified for improvement to spend at least 10 percent of their annual Part A allocations on professional development.